



Press Release

CAE wins military contracts valued at more than C\$85 million

- **Havelsan selects CAE Medallion-6000 visual system for Turkish Air Force simulators**
- **CAE USA to continue providing training services to U.S. Navy and U.S. Air Force**
- **Cobham Aviation Services contracts CAE to support UK MFTS program**

Montreal, Canada, November 3, 2010 – (NYSE: CAE; TSX: CAE) – CAE today announced it has been awarded a series of military contracts valued at more than C\$85 million, including a program to provide its CAE Medallion-6000 image generator for Turkish Air Force fighter and trainer aircraft simulators, a program to continue providing training services to the U.S. Navy and U.S. Air Force and a contract to provide airborne tactical mission training solutions for the UK military.

Havelsan/Turkish Air Force

Havelsan, Turkey's leading simulation and training company, has selected CAE to deliver more than 190 CAE Medallion™-6000 image generators for a range of Turkish Air Force flight simulators. In addition, Havelsan and the Turkish Air Force have adopted the CAE-developed Common Database (CDB) architecture to significantly enhance the ability to correlate and rapidly update databases to support training and mission rehearsal requirements. The CAE Medallion-6000 image generator will be used on flight simulators for the Turkish Air Force F-16 fighter, T-38 jet trainer, and KT-1T basic trainer.

As the prime contractor, Havelsan will have overall responsibility for integrating the CAE Medallion-6000 image generator with the F-16, T-38 and KT-1T training devices. The suite of training devices supporting the Turkish Air Force F-16 fighter includes full-mission simulators, weapons tactics trainers, and a forward air controller trainer, all of which will include CAE Medallion-6000 image generators. Each of the F-16 full-mission simulators will feature a 25-channel CAE Medallion-6000 image generator with a 360 degree by 135 degree field-of-view dome display. The T-38 and KT-1T training devices include instrument flight trainers and operational flight trainers that will feature the CAE Medallion-6000 image generator.

CAE will also support Havelsan and the Turkish Air Force with establishing a database generation system based on the CDB. The CDB, originally developed by CAE for the United States Special Operations Command, is a standard, open database architecture that is both rapidly updateable and enables correlated distributed mission training.

"We are pleased that after a competitive evaluation, Havelsan has selected the CAE Medallion-6000 image generator for the Turkish Air Force's demanding combat and trainer aircraft flight simulation requirements," said Ulrich Aderhold, Managing Director of CAE's military operations in Europe and Africa. "The CAE Medallion-6000, combined with the common database

architecture, truly gives military customers a state-of-the-art visual solution that helps contribute to enhanced synthetic training and mission readiness.”

US Navy and US Air Force

CAE USA was recently awarded a contract for the second year of a five-year training services contract with the Naval Air Warfare Center Training Systems Division (NAWCTSD). CAE provides simulator operation and maintenance as well as simulator and classroom pilot instruction for the U.S. Navy and U.S. Marine Corps at three locations in Japan – Naval Air Facility Atsugi, Marine Corps Air Station Iwakuni, and MCAS Futenma. The training services contract supports multiple aircraft platforms, including the KC-130J, CH-53E, CH-46E, EA-6B, F/A-18, and E-2C.

In addition, small business C2 Technologies awarded CAE USA a subcontract to continue providing training services for the U.S. Air Force Air Combat Command at Davis-Monthan Air Force Base. CAE provides contract aircrew training (CAT) and courseware development (CWD) services for the A-10 and EC-130 aircraft.

Cobham Aviation Services

Cobham Aviation Services has awarded CAE a contract to provide airborne tactical mission training solutions for the UK military. Cobham is responsible for the modification and maintenance of four Hawker Beechcraft King Air 350ER aircraft which will provide flying hours for the Rear Crew Stage 1 training service as part of the United Kingdom’s Military Flying Training System (MFTS) program. CAE will provide airborne tactical mission trainers to be used in the King Air 350ER aircraft for training Royal Navy observers. This involves configuring the ground-based tactical mission trainer being developed by CAE under a separate contract to Lockheed Martin for use in an airborne environment. CAE’s airborne tactical mission trainer features high-fidelity sensor and subsystem simulations, including Electronic Support Measures (ESM), surface search track-while-scan radar, Tactical Display and Data Link.

The UK MFTS program is a partnering arrangement involving the UK Ministry of Defence and Ascent Flight Training, a joint venture of Lockheed Martin and Babcock International Group. The program is responsible for providing comprehensive training to all new UK military aircrews across the Royal Navy, Army and Royal Air Force (RAF).

CAE is a world leader in providing simulation and modelling technologies and integrated training solutions for the civil aviation industry and defence forces around the globe. With annual revenues exceeding C\$1.5 billion, CAE employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. We have the largest installed base of civil and military full-flight simulators and training devices. Through our global network of 29 civil aviation and military training centres, we train more than 75,000 crewmembers yearly. We also offer modelling and simulation software to various market segments and, through CAE’s professional services division, we assist customers with a wide range of simulation-based needs.
www.cae.com

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NOTE TO EDITORS: A High-resolution image generated by the CAE Medallion™-6000 image generator is available at www.cae.com/photos

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